



THE HELLENIC OBSERVATORY Newsletter 2010

Issue 8 - August 2010



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Editorial

The last year has seen some of the most dramatic events in Greece since the establishment of the LSE's Hellenic Observatory. An election that saw a change of government, a sudden announcement of significantly revised fiscal data, several iterations of plans for government cutbacks, an unprecedented international bail-out of the Greek economy, repeated strikes and street protests....this was surely a year when discussion and study of the politics and economics of Greece became *de rigueur* for so many across the world.

The Hellenic Observatory responded to this rapidly-developing agenda with a range of activities:

- A public debate at the LSE on the Greek crisis and the euro-zone - including two former ministers (Papantoniou; Alogoskoufis) - which attracted some 400 guests and many media representatives leading to an Observatory publication [see page 5].



Hellenic Observatory Panel Debate

- Upcoming conferences, in both London and Athens, on fiscal governance [see page 16].
- A panel discussion 'Can Greece get out of the crisis?', leading to a new Observatory publication, examining the roots of the fiscal problem [see page 4].
- Frequent media interviews with organisations from around the world [see page 12].

- Research seminars on related matters: e.g. budget management in Greece; competitiveness and institutional weaknesses; labour market regulation; the attraction of FDI; and the phenomena of street protests [see page 8].



Hellenic Observatory Research Seminar

- An upcoming public dialogue with George Papaconstantinou, Minister of Finance, at the LSE in the Autumn [see page 16].

Each of these activities has served to enhance the profile of the Observatory. We have fielded enquiries from journalists as far afield as China, Chile, Russia, Australia and Jamaica, for example, and an interesting variety of financial institutions!

Alongside our current topicality, the Observatory also continued its longer-term programme. These have included additional public lectures; a regular series of research seminars; an expanding series of working papers ('GreeSE'); and major projects conducted by HO staff and fellows.

This Newsletter reports on each of these activities and we hope you will find it of interest. You can also read regular updates on the HO webpages - and we are very pleased that so many do so. Finally, as we look forward to a new year of activity, our colleagues and ourselves hope to have the opportunity of meeting you at one of our upcoming events.

Kevin Featherstone
Director

Spyros Economides
Deputy Director

Hellenic Observatory Annual Lecture

Mr Takis Arapoglou, former Chairman of the Board and CEO of the National Bank of Greece 'The future of Greek Banks: A Regional Strategy'

Takis Arapoglou, then Chairman and CEO of the National Bank of Greece, delivered the 10th Annual Lecture of the Hellenic Observatory at the LSE on 12th November 2010.



Mr Takis Arapoglou

With the privilege of his considerable international banking experience, he delivered a 'tour d'horizon' of the development and prospects of Greek banks in the context of south-east Europe.

'Greek banks (in south-east Europe) were able to make substantial progress in consolidating their presence and effectively operate as locally embedded banks, as opposed to isolated subsidiaries of foreign banks. Contrary to their European peers, they maintained and empowered local management, preserving continuity and local expertise. In addition, central management in Greece, was entirely familiar with the specific characteristics of emerging markets, Greece in itself having effectively been one, not so long ago.'

He argued that a successful regional strategy was now an essential foundation for the country's major banks, mainly due to their need for increased size and diversification.



Mr Takis Arapoglou & Professor Kevin Featherstone in a packed Old Theatre

He finished by commenting on the current health of the Greek banking system and the challenges they faced in the future. The lecture provided a very well-informed account of the most significant part of Greece's economic relations with its neighbours and of its impact on the region.



From Left to Right:
Pro-Director George Gaskell, Professor Kevin Featherstone,
Mr Takis Arapoglou, H.E. Ambassador Vassilis-Achilleas Pispinis
& LSE Director Howard Davies

Mr. Arapoglou placed current business activity in an historical context. A century ago, Greek bankers had adopted a strategy based on the perspective of the Ottoman, Egyptian and Balkan markets as constituting a single regional market. Thus, despite the differences with today in terms of business models and products, Greek banks have shown a consistency with their regional approach 'within a large fairly uniform region with a fairly uniform mentality'. Indeed, 'Greece on its own, irrespective of the phase it was going through at the time, was always perceived to be one piece of a broader, more complex, and more promising economic puzzle'.



**NATIONAL BANK
OF GREECE**

The transcript, presentation, and podcast of the lecture are available on the HO webpages at:

http://www.lse.ac.uk/collections/hellenicObservatory/Events/PubLectures/Arapoglou_09.htm

POLICY ROUND TABLE

with the Greek Alternate Minister of Foreign Affairs, Mr Dimitris Droutsas

On 27 January 2010 the HO launched an innovation in its events programme by hosting Greece's Alternate Foreign Minister, Mr Dimitris Droutsas, to a policy roundtable discussion at the LSE. Our intention was to hold a more contained meeting than our usual public events, with an invited audience, to enable a more specific in-depth discussion on a particular area of policy.



Alternate Minister
of Foreign Affairs
Mr Dimitris Droutsas

The Minister opened up proceedings by providing an overview of his government's positions on the Greek foreign policy agenda and more particularly on the key problems facing it. He concentrated on three areas which have long been of fundamental importance in Greek foreign policy: the relationship with Turkey; the situation in Cyprus; and the continuing dispute with FYROM. In each case Mr Droutsas outlined the state of play and highlighted how his government would draw on previous PASOK government success - not least that of the Prime Minister George Papandreou himself - in pushing the agenda forward and reaching achievable goals.

Much of what the Minister had to say on each of these issues was framed in the context of Greece's membership of the European Union. Greece in this context, he urged, should be seen as part of the solution and not the problem, in these specific cases.



Professor Kevin Featherstone &
Alternate Minister of Foreign Affairs Mr Dimitris Droutsas

Minister Droutsas also shared his thoughts and his government's positions on a number of other issues. For instance, Mr Droutsas stressed the Greek government's deep-seated interest and attachment to the policy of EU enlargement to the Western Balkans. He highlighted an approach which should aim to bring the Balkan members into the EU sooner

rather than later. He mentioned an 'Agenda 2014', with the 100 year anniversary of the assassination of Archduke Franz Ferdinand as a useful target to focus attention on the EU's enlargement strategy towards the region. He also underlined that it was in everybody's interest that the Western Balkans be integrated into the EU as quickly as possible and that Greece would be an active participant in initiatives within the EU pressing for this.

The Minister also made it clear that his government was committed to participate in international initiatives relating to the protection of the environment and climate change. This, he added, would form an important part of its foreign policy agenda.



Professor Kevin Featherstone, Alternate Minister of Foreign
Affairs Mr Dimitris Droutsas & participants
of the policy round table

The audience comprising government official, diplomats and policy-makers, academics and 'think-tankers', members of international financial institutions as well as journalists then took over. They questioned Mr Droutsas closely on a number of issues, and especially on the three key areas addressed by the Minister. This opened up a stimulating and constructive dialogue touching on all key aspects of the Greek foreign policy agenda. The HO would like to thank all the participants but especially the Minister, Mr Dimitris Droutsas, for kicking-off this innovation in the HO's activities in such a successful and constructive manner.

A page dedicated to this event is available at:
http://www.lse.ac.uk/collections/hellenicObservatory/Events/Other/droutsas_2010.htm

**For the photos we thank Mrs Chryssa Panoussiadou*

HO Director Joins Prime Minister's Advisory Committee

In February 2010, the Greek PM appointed Professor Kevin Featherstone to a newly-created committee ('Advisory Committee for the Modernisation of the Operation of the Government'). The committee is composed of five international members and it will advise on various administrative reforms.

PANEL DISCUSSION

Can Greece get out of the Economic Crisis?

How did Greece get into its current economic crisis? Does it have the capacity to get out of it?
What are the implications for the governance and cohesion of the euro-zone?
How should Europe respond to this crisis?

As the news about a double-digit government deficit in Greece at the end of 2009 started pushing up the spreads for Greek government bonds to levels not seen since the establishment of EMU, developing into a fully-blown fiscal crisis by the beginning of 2010, the fortunes of the Greek economy and its implications for the euro-zone became an issue of high concern in the international media and the wider public. Priding itself as one of the most prominent institutions, outside Greece, for the study of public policy and political economy of Greece, and located within LSE's European Institute, the top British academic institution for the study of European Political Economy, the Hellenic Observatory found itself in a unique position for contributing to the public and policy debate concerning the causes and implications of the crisis. On 24 February 2010, while the Greek debt crisis was still unfolding and at the height of the uncertainty about a possible Greek 'exit' from the euro-zone, we organised a panel discussion at the LSE under the title "Can Greece get out of the Economic Crisis?". The HO-based speakers, Prof Kevin Featherstone, Director of the HO and Eleftherios Venizelos Chair of Contemporary Greek Studies, and Dr Vassilis Monastiriotis, Senior Lecturer in the Political Economy of Southeast Europe, were joined by one of the most eminent Greek economists, Prof Costas Meghir, Co-director of the UK Institute for Fiscal Studies and Professor of Economics at University College London.

The debate covered a variety of views and perspectives on the crisis and stimulated a lively and at points intense discussion with the audience. Prof Meghir focused on the pervasive rigidities of the Greek economy, which have been responsible for the persistent unemployment and weak international competitiveness of the country. He highlighted the country's

shortcomings in the fields of innovation, education, human capital formation, the business environment and market regulation as responsible factors. Dr Monastiriotis gave a political-economy flair to the discussion, focusing on the perceived tension between solidarity and adverse incentives, or as it has become more commonly known, between bail-out and moral hazard. His main message, that reforms and fiscal consolidation are politically unavoidable but economically potentially hazardous, contrasted strongly with the view put forward by Prof Meghir, who saw the pressures for reform as a double dividend for fiscal consolidation and economic modernisation. To this debate, the presentation by Prof Featherstone added a strong political science insight, focusing on Greece's weak capacity for reforms emanating from the combination of strong vested interests, a lacking corporatist tradition and a weak core executive.

The presentations were followed by a long discussion with members of the audience, which reflected not only the anxiety of the Greek community in London and of fellow academics about the 'Greek crisis', but also the highly polarised views that cover issues of public and economic policy in this conjecture (the 'fiscal stimulus versus structural reforms' debate). The debate helped shape an informed view about the 'Greek crisis' (which was soon to become a much wider euro-zone crisis) and was subsequently followed-up by numerous contributions by the members of the Hellenic Observatory in various outlets, including in the Greek and UK media.

More information about the event, including ppt presentations and a podcast, can be found at the HO website at: <http://www.lse.ac.uk/collections/hellenicObservatory/Events/Other/>

PANEL DISCUSSION

'What now for Greece? Reflections on the 2009 Election'

The very first week of the LSE's 2009-10 academic year coincided with Greek national elections of 4 October 2009. The HO thought it timely and appropriate to stage a panel discussion entitled, 'What now Greece? Reflections on the 2009 Election' which would look at the domestic and foreign policy implication of the new government in Athens. So, in front of a full Wolfson Theatre, Kevin Featherstone, Spyros Economides and Vassilis Monastiriotis of the HO, and Professor Michalis Spourdalakis of the University of Athens, presented their views on a wide range of issues relating to the implications of PASOK's electoral success. Both the presentation and the ensuing discussion addressed issues of public policy and reform, party politics, the economy and the foreign policy agenda.

Much of what was debated that evening has been overtaken by the ensuing economic crisis in Greece. Nevertheless, it must be noted that much of what was discussed on 8 October, by the panel and the audience, remains very firmly on the agenda. For example, what is the future of the – essentially – two party political system in Greece? How is public sector reform achievable and is a Greek public ready for it? Does Greece have a substantive and achievable foreign policy agenda and how does a change in the party in government have an effect on this?

The panel was deemed a success not just by us at the HO but mainly by the large audience which attended and participated which such interest and enthusiasm.



A page dedicated to this event is available at: http://www.lse.ac.uk/collections/hellenicObservatory/Events/Other/what_now_for_greece.htm

PANEL DEBATE

The Greek Fiscal Crisis and the Future of the Euro-zone

The fiscal crisis in Greece has received much international coverage. Can Greece correct its financial position and undertake the necessary reforms for future prosperity? What are the implications for the governance of the euro-zone and the future performance of the 'euro'?

A lively debate on the current Greek crisis was held at the School on 28th April 2010. Some 400 guests heard Dr. Yannis Papantoniou and Professor Georgios Alogoskoufis, both former economics ministers, debate how Greece entered the crisis and how it might exit it. Balancing views were offered by Professor Wim Koesters of Ruhr Universität Bochum – defending German perspectives on the management of the euro-zone – and by Simon Tilford of the Centre for European Reform, London, addressing the failings of euro-governance.

For his part, Dr. Papantoniou quoted the leader of New Democracy, Antonis Samaras, as saying: "Our government made mistakes. Serious mistakes. It did not fight statism. It did not reinstitute the state. It increased, rather than diminish, the size of the state. It preserved its dysfunctional and unproductive character. It succumbed to the logic of political cost. For all these we must apologize to those who voted for us, to the Greek people". But, Dr. Papantoniou went on to argue that the crisis had exposed failings in the wider euro-zone. Indeed, 'Unless the Eurozone develops procedures designed to transform it into a fully-fledged economic union, approaching the US model, the future of the euro will be clouded with doubt'.



Prof. Alogoskoufis noted that the international financial crisis had hit the Greek economy at its Achilles heel: the high public debt, which was accumulated mainly in the 1980s. The financial crisis became for Greece a debt crisis. It's seriousness rested on three conditions: the sustained levels of high debt; the dramatic announcement by the new government of a deterioration of the deficit in 2009, and its delay in taking action.

The full presentation of each speaker, as well as, the Q&A that followed, are available from the HO webpages at: http://www.lse.ac.uk/collections/hellenicObservatory/Events/Other/debate_Fiscal%20Crisis_Future_Eurozone.htm



The podcast of this Event had more than 15,000 downloads within a 2 month period.

GreeSE Papers

LSE's forum for Research on Greece and SEE

GreeSE Papers has already entered into its fourth year of circulation. Starting quite adventurously in the spring of 2007, the series has grown into a standard reference for contemporary research on Greece in the social sciences and continues to build on its strengths and to provide an outlet for topical and quality research to academics in Greece and abroad. Among the recent publications (see the box for a full list of the papers published since September 2009), we wish to highlight the novel analysis of Hugh-Jones et al (2009) on youth attitudes towards the police with reference to the December 2008 riots, two important contributions to the debate about policy reforms in Greece (Monastiriots and Antoniadis, 2009 and Tinios, 2010) and the unique enquiry into the distributional effects of tax evasion in Greece by Matsaganis and Flevotomou (2010).

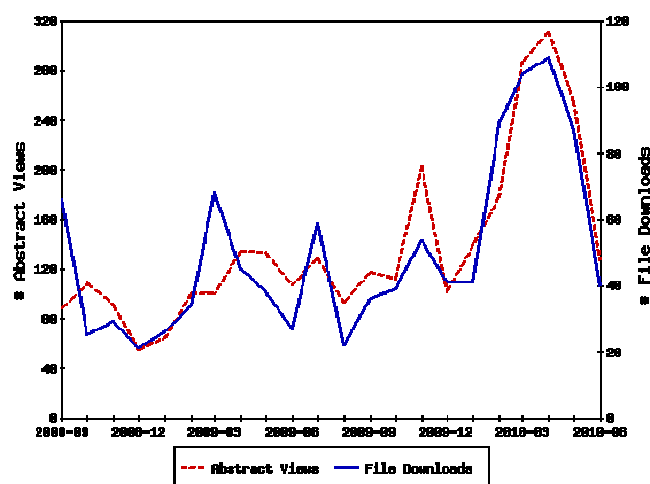
Three new publications by our research fellows are coming out this summer. Efi Vraniali's paper (GreeSE No37) addresses the issue of the reform of the Greek budget and the introduction of New Public Management procedures of budgeting and budget-monitoring. The paper by Theodore Pelagidis (GreeSE No38) examines the 'Greek paradox' of high growth and worsening international competitiveness. The paper by Prodromos Vlamis (GreeSE No39) looks in turn at the transmission mechanisms of monetary policy in Greece and Southeast Europe. All three papers deal with different facets of issues that are at the heart of the current crisis in Greece: the effective transmission of monetary policy signals into the domestic economy; the problem of competitiveness and 'jobless growth', and the issue of effective budgeting and control of public finances. Collectively, these works highlight the topicality of HO's research agenda and the important contribution that the HO-based fellowships, generously sponsored by three important benefactors of the Hellenic Observatory (Mr A.C. Laskaridis, the National Bank of Greece, and the Greek Ministry of Economy, Competitiveness and Shipping), make to the study of contemporary Greece.

EDITORIAL INFORMATION

Editor-in-chief	Dr Vassilis Monastiriots
Editorial board	Prof Kevin Featherstone & Dr Spyros Economides
Editorial assistance	Mr Andreas Kornelakis
Web-site maintenance	Mr Sotiris Zartaloudis
Administration	Mrs Ismini Demades & Ms Ioanna Antonopoulou

VISIBILITY AND IMPACT

GreeSE papers are listed in the RePEc (Research Papers in Economics) database since September 2008. In this period, they have received collectively over 3,000 abstract views and over 1,000 file downloads, averaging 45 downloads per month. There are two papers that have been averaging more than 5 downloads per month (by Nikos Christodoulakis, on the *Ten Years of EMU*, and by Matsaganis and Flevotomou on the *Distributional Implications of Tax Evasion in Greece*), with



Graph: Access and download statistics (courtesy of RePEc)

the first of these papers reaching a total of 100 downloads in the 17 months since its publication. The paper was also published in the National Institute Economic Review vol.208 no1 in April 2009. Other papers that top the total and monthly downloads lists include the paper on *Bulgaria's and Romania's entry to the EU* by Papadimitriou and Gateva (No25), the paper on *EU Energy Policy and Regional Co-operation in South-East Europe* by Diana Bozhilova (No24), and two papers by the series' editor, on *Regional Policy in Bulgaria* (No15) and on *EU Accession, Regional Cooperation and the need for a Balkan Development Strategy* (No10).

All GreeSE papers are freely available to download from <http://www.lse.ac.uk/collections/hellenicObservatory/pubs/GreeSE.htm>.

or more information about submission guidelines visit our website at: <http://www.lse.ac.uk/collections/hellenicObservatory/pubs/guidelines.htm>

New Papers in 2009-10

36. Lyberaki Antigone, The Record of Gender Policies in Greece 1980-2010: legal form and economic substance, June 2010.
35. Markova Eugenia, Effects of Migration on Sending Countries: lessons from Bulgaria, May 2010.
34. Platon Tinios, Vacillations around a Pension Reform Trajectory: time for a change?, April 2010.
33. Diana Bozhilova, When Foreign Direct Investment is Good for Development: Bulgaria's accession, industrial restructuring and regional FDI, March 2010.
32. Karamessini Maria, Transition Strategies and Labour Market Integration of Greek University Graduates, February 2010.
31. Matsaganis Manos, Flevotomou Maria, Distributional Implications of Tax Evasion in Greece, January 2010.
30. Hugh-Jones David, Katsanidou Alexia and Riener Gerhard, Political Discrimination in the Aftermath of Violence: the case of the Greek riots, December 2009.
29. Monastiriots Vassilis and Petrakos George, Local Sustainable Development and Spatial Cohesion in the Post-transition Balkans: in search of a developmental model, November 2009.
28. Monastiriots Vassilis and Antoniadis Andreas, Reform that! Greece's failing reform technology: beyond 'vested interests' and 'political exchange', October 2009.
27. Chrysoschoou Dimitris, N., Making Citizenship Education Work: European and Greek Perspectives, September 2009.

RESEARCH at the Hellenic Observatory

The HO staff engage in a variety of projects and research themes, covering issues of economy, politics, public policy and international relations, both in Greece and in Southeast Europe more broadly.

Recent and current research in the area of political economy, has focused on the following themes: regional disparities and policy; wage differentials and wage determination; unemployment and labour market flexibility; public investment and fiscal decentralisation; foreign direct investment and economic growth (for full details see the box below). Additionally, an HO-project (supported by the National Bank of Greece) on 'Inflation and Prices in Greece' is currently in progress at the University of Pireaus, led by Prof. Nikos Apergis.

In the area of public policy our current research covers mainly aspects of governance and structural reforms, including work on the strength of the core executive; the limits to Europeanisation; evidence-base and the reform technology; and others. An external project on the Privatisation of Public Utilities in Greece, also with the support of funding from the National Bank of Greece, is currently undertaken by Prof Nikos Zahariadis (University of Alabama) and Dr George Pagoulatos (Athens University of Economics and Business).

Below is a list of projects and recent publications by HO staff. For more details on these and other research activities at the HO please visit our research web-pages at http://www.lse.ac.uk/collections/hellenicObservatory/research/research_main.htm.

PUBLIC POLICY

- Τα Όρια του Εξευρωπαϊσμού: δημόσια πολιτική και μεταρρυθμίσεις στην Ελλάδα, Εκδόσεις Οκτώ. Monograph forthcoming, 2010. Kevin Featherstone and Dimitris Papadimitriou.
- 'Changing Conceptions of 'Europe' in Modern Greece: meanings; identities and legitimation'. Joint Workshop with the British School at Athens, January 2011. Chair: Kevin Featherstone.
- 'Managing Government: Greek Prime Ministers and the Problem of Reform Capacity'. Current project: Kevin Featherstone and Dimitris Papadimitriou.
- The euro and labour market reform, in International and European Policy, vol.15, pp.203-244 (2009) [in Greek]. Authors: V. Monastiriotes and S. Zartaloudis.
- Reform that! Greece's Failing Reform Technology: Beyond Vested Interests and Political Exchange, forthcoming as ch.11 in Kalyvas S., Pagoulatos G. and Tsoukas H. (eds), The Challenge of Reform in Greece, 1974-2009: Assessment and Prospects, C. Hurst & Co/Columbia University Press, London. Authors: V. Monastiriotes and A. Antoniadis.
- Twenty Years of Economic Transition in the Balkans: transition failures and development challenges, in South Eastern Europe, vol.34 (2), pp.154-174 (2010). Authors: V. Monastiriotes V. and G. Petrakos.

ECONOMY

- Institutional and Non-Institutional Measures of Labour Market Flexibility in Greece, Project funded by the Greek Ministry of Finance and Economics, Greece. Authors: C. Pissarides and V. Monastiriotes.
- Fiscal Decentralisation and Inter-municipal Competition in SEE, Project funded by the John S. Latsis Foundation / LSEE Programme on Southeast Europe. Authors: V. Monastiriotes and M. Savic.
- Facets of unemployment in Greece: persistence, adjustment and 'wait' unemployment. Author: V. Monastiriotes.
- The Greek public sector wage premium: issues of selection and labour market fairness. Authors: V. Monastiriotes and R. Christopoulou.
- Politics, efficiency, or fairness? patterns and determinants of public investment in Greek regions. Authors: V. Monastiriotes and Y. Pscharis.
- Patterns of spatial association and their persistence across socio-economic indicators: the case of the Greek regions, in Empirical Economics 37 (1), pp.25-49. Author: V. Monastiriotes.
- Origin of FDI and domestic spillovers: the case of Greek and European FDI in Bulgaria, forthcoming in the Review of Development Economics. Authors: V. Monastiriotes and R. Alegria.
- The emergence of regional policy in Bulgaria and the role of the EU, in Katsikas S. (ed) Bulgaria and Europe: Challenging Identities, Anthem Press, London (2010) [ISBN 9781843318460] Author: V. Monastiriotes.
- Local Sustainable Development and Spatial Cohesion in the Post-transition Balkans: in search of a developmental model, GreeSE Paper No29, Hellenic Observatory Papers on Greece and Southeast Europe, LSE (2009). Authors: V. Monastiriotes and G. Petrakos.
- Regional structures and the impact of the crisis in transition Europe: do inequalities matter?. Author: V. Monastiriotes.

INTERNATIONAL RELATIONS

- An Island in Europe: The EU and the Transformation of Cyprus. Edited Book. London: I.B.Tauris, forthcoming 2011. Editors: James Ker-Lindsay, Hubert Faustmann and Fiona Mullen.
- The Cyprus Problem: What Everyone Needs to Know. Monograph. New York: Oxford University Press, forthcoming 2011. Author: James Ker-Lindsay.
- 'The Last Ottomans: The Muslim Minority of Greece, 1940-49'. Monograph. London: Palgrave, December 2010. Authors: Kevin Featherstone; Dimitris Papadimitriou; Argyris Mamarelis; and Georgios Niarchos.
- The development of Greece's economic diplomacy in the post-communist Balkans: progress and future challenges, in Anas-tasakis O., Bechev D. and Vrousalis N. (eds), Greece in the Balkans: Memory, Conflict and Exchange, Cambridge Scholars Publishing, Cambridge (2009) [ISBN 978 1 4438 1315 0]. Authors: V. Monastiriotes and A. Tsamis.

LISTSERV for Research Students

Please join our server list to maintain a dialogue between fellow specialists.

For more information, visit our website: <http://www.lse.ac.uk/collections/hellenicObservatory/WhatIsListserv.htm>

RESEARCH AND POLICY SEMINARS 2009-2010

In 2009/10 we introduced a new format of our in-house seminar series, adding a policy cycle to the established line of research seminars. In addition to presentations on current research (e.g., by Prof Pelagidis, on Greek Competitiveness, Prof Prevelakis, on Urban Planning and National Identity in Greece, and Prof Veremis on Political Developments in the Greek Society), the series also hosted policy presentations by eminent policy-makers from Greece.



Dr Yannis Papantoniou,
presenting his Policy Seminar on
'Greece and the Crisis: Recovery or Decline?'

These included presentations by Mr Dimitris Katsoudas, former Secretary-General for EU Affairs at the Ministry of Foreign Affairs, on the Greek approach to European Integration and Neighbourhood Policies, by Dr Christos Ioannou, Mediator-Arbitrator at OMED, on Greek Employment Relations, by Dr Yannis Papantoniou, former Minister of National Economy, on the Greek Crisis and by Prof Plutarchos Sakellaris, Vice President of the European Investment Bank, on Energy Challenges in Southeast Europe.



Dr Christos A. Ioannou,
presenting his Policy Seminar on
'Employment Regulation and Labour Relations in Greece'

This new format seemed to work well, combining research-based academic contributions with policy-informed and policy-informing expert presentations. Although we are very pleased with the shape and development of our seminar series, attendance to the seminars continues to be variable, with some seminars attracting audiences of over 50 people and others resembling more small workshop sessions. We wish to encourage our London-based followers to continue attending our seminars and to make their participation stronger and more frequent.

We also wish to encourage more people to join this 'privileged club' of HO seminar attendees!



Professor Plutarchos Sakellaris,
presenting his Policy Seminar on
'Southeast Europe: the Energy Challenges Ahead'

Details on these lectures and copies of the presentations can be found on our Seminars web-page:

http://www.lse.ac.uk/collections/hellenicObservatory/events/Seminars/Seminars_main.htm



Mr Dimitris Katsoudas,
presenting his Policy Seminar on
'Expanding and Aligning the EU; European Integration and
Neighbourhood Policies: a Greek Overview'



Professor Theodore Pelagidis,
presenting his Research Seminar on
'Greece's Faltering Economy: Facets and evidence of low
competitiveness and institutional weakness'

RESEARCH AND POLICY SEMINARS 2010-2011

This year the seminars cover a wide range of themes and disciplinary approaches that vary across politics, public policy, economics, history and international relations. The list of speakers reflects a shift towards in-house expertise and it includes presentations by our new Research Fellows, HO members of staff, as well as external experts. The programme of our 2010/11 seminars series can be seen below and the final programme will be available in October on the HO website: http://www.lse.ac.uk/collections/hellenicObservatory/Events/Seminars/Seminars_main.htm

Michaelmas Term

12/10/2010 **Dr Michael Arghyrou**, Senior Lecturer, Cardiff Business School.
'The EMU-sovereign debt crisis: Fundamentals, expectations and contagion.'

26/10/2010 **Prof. Christos Lyrantzis**, Department of Political Science & Public Administration, University of Athens - HO Senior Research Fellow.
'The political management of the crisis. Problems and implications.'

09/11/2010 **Dr Elpida Prasopoulou**, Senior Research Officer, Department of Management Science & Technology, Athens University of Economics & Business - HO Post-doc Fellow.
'The interplay of ICT innovation with state administrative tradition: Evidence from the Greek Taxation Information System (TAXIS).'

23/11/2010 **Dr Susannah Verney**, Assistant Professor of European Integration, Department of Political Science & Public Administration, University of Athens - HO Senior Visiting Fellow.
'The Forgotten European Spring of the Greek Communist Party, 1987-1991.'

07/12/2010 **Dr Theodore Panagiotidis**, Lecturer in Econometrics, Department of Economics, University of Macedonia - HO Research Fellow.
'The twin deficits hypothesis: Evidence from Greece.'

All Seminars are open to the public.
Venue: Cañada Blanch Room (J116),
Cowdray House, Portugal Street,
European Institute, LSE, London WC2A 2AE
Time: 6.00 - 7.30pm

Lent Term

11/01/2011 **Prof. Gikas A. Hardouvelis**, Department of Banking and Financial Management, University of Piraeus.
'The Sovereign Debt Debate and Greece.'

25/01/2011 **Dr Christopher Tsoukis**, Senior Lecturer, Economics Department, London Metropolitan Business School - HO Senior Research Fellow.
'Determinants and effects of government size: Overview of theory and the Greek experience.'

08/02/2011 **Prof. Kevin Featherstone**, Eleftherios Venizelos Professor, Director of the Hellenic Observatory, LSE.
'Hollow at the Core? Greek Prime Ministers and the Constraints on Governing.'

22/02/2011 **Dr Steve Morewood**, Lecturer, Institute of Archaeology & Antiquity, University of Birmingham.
'The Eden-Dill Mission and the Doomed Quest to Save Greece from Axis Occupation, February to April 1941.'

08/03/2011 **Prof. Eleftheria Bernidaki-Aldous**, Professor of Classics, Holder of the Endowed Chair of Modern Greek Studies Eleftherios Venizelos, American College of Greece, Deree.
'Special Education and Equal Opportunity Especially in the Context of Economic Crisis: The Necessity of a New Legal Culture in Europe.'

22/03/2011 **Prof. Alexis Heraclides**, Prof. of International Relations & Conflict Analysis, Panteion University of Social & Political Science, Athens - HO Senior Research Fellow.
'Imagined Enemies. In quest of the deeper reasons for Greek-Turkish Antagonism.'

Association for Cypriot, Greek and Turkish Affairs (ACGTA) 2009 - 2010 events

8 June 2010

Geopolitics, Turkey's EU Accession Course and Cyprus
Speaker: Dr Demetrios Theophylactou, member of Cyprus's permanent delegation to the EU in Brussels & Senior Associate Member, St Antony's College
Chair: Sir Edward Clay

22 April 2010

The Greek deficit and debt crisis and its impact on the euro
Speaker: Robert McDonald, Athens-based freelance writer and financial journalist
Chair: George Petrochilos

22 January 2010

Prospects for a Cyprus Settlement
Speaker: Andrew Dismore MP
Speaker: Chrysostomos Pericleous
Chair: Othon Anastasakis (SEESOX)

27 November 2009

The Turkish Position on Cyprus: Elements of continuity and change
Speaker: Dr Hüseyin Işıksal (Formerly Lecturer at Fatih University, Istanbul)
Chair: Prof Sevet Pamuk (LSE)

16 November 2009

Cyprus: An Approaching Hour of Decision
Speaker: Costas Carras
Chair: Mary Southcott

30 October 2009

The Cyprus Referendum: Citizen Perceptions and the role of the leadership in the uphill path towards a solution
Speaker: Chrysostomos Pericleous
Chair: Othon Anastasakis (SEESOX)

Research Fellowships & Studentships

A key part of the Observatory's mission is to welcome visiting fellows and researchers, to extend our expertise and collaboration while enriching their professional experience. We have been delighted to host our fellows this year, an exceptional team of talented researchers and we look forward to welcoming our new fellows in September 2010.

New Research Fellows

We would like to welcome the following Fellows to the Hellenic Observatory during the academic year 2010-11.

NATIONAL BANK OF GREECE

Senior Research Fellows in Contemporary Greek Studies:

Professor **CHRISTOS LYRINTZIS**, Department of Political Science & Public Administration, University of Athens. Professor Lyrantzis research project is 'Research on political party developments in Greece during the last three decades and analyses of problems and questions that have surfaced in the last years'.

Professor **ALEXIS HERACLIDES**, Prof. of International Relations & Conflict Analysis, Department of Political Science & History, Panteion University of Social & Political Science, Athens. Professor Heraclides research project is 'The enduring Greek-Turkish rivalry: A study of the subjective dimension of the conflict (enemy images, National narratives, National identity)'.

MINISTRY OF ECONOMY, COMPETITIVENESS & SHIPPING

Senior Research Fellow in the Political Economy of Greece's Relations with Southeast Europe:

Dr **CHRISTOPHER TSOUKIS**, Senior Lecturer, Economics Department, London Metropolitan Business School. Dr Tsoukis research project is 'Effects and determinants of fiscal policy and budget deficits: the Greek experience'.

Research Fellow in the Political Economy of Greece's Relations with Southeast Europe:

Dr **THEODORE PANAGIOTIDIS**, Lecturer in Econometrics, Department of Economics, University of Macedonia. Dr Panagiotidis research project is 'Twin deficits and Growth in Southeast Europe'.

A. C. LASKARIDIS POST DOCTORAL FELLOW

Dr **ELPIDA PRASOPOULOU**, Senior Research Officer, Department of Management Science & Technology, Athens University of Economics & Business. Dr Prasopoulou will undertake research on 'The role of ICT innovation for state reform and its imbrication with political institutions'.

HO Internships

The Hellenic Observatory welcomes enquiries from current students interested in working for a short period as an intern, assisting with the activities of the Observatory.

For further information please see the HO website:

<http://www.lse.ac.uk/collections/hellenicObservatory/research/internships.htm>

The Hellenic Observatory would also like to thank student **Yannis Kechagiaras** who has offered his assistance to the HO over the last year.

HO Studentships

The Hellenic Observatory continues to receive the long-standing and generous support of the **Bodossaki Foundation**. The Foundation has been a supporter of students researching various aspects of Greece in the social sciences.

The **Bodossaki Foundation PhD Scholarship**, has been awarded annually to one student for a term of 3 years, and enables the HO to attract young scholars working on contemporary Greece and its environs. Current holders of the award are **Andreas Kornelakis** and **Sotiris Zartaloudis**.

The **Gregory Tzirakian Scholarship**, is now in its fifth year and is the result of a generous donation by **Mr Gregory Tzirakian**. Award holders have been **Aris Trantidis**, **George Evangelopoulos** and **Athanasios Manis**.

The HO would like to extend its gratitude to both The Bodossaki Foundation and to Mr Gregory Tzirakian for their continued support for both the above Scholarships and for the opportunities made available to the emerging generation of scholars.

The fellowships for 2011-2012 will be advertised in the press and on the Hellenic Observatory website in Autumn 2010

Visiting Fellows & Researchers

Dr Yannis Papantoniou, (Former Minister of Trade (1989), Minister of National Economy (1994), Minister of National Economy and Finance (1996), Minister of National Defense (2001), and currently President of the Centre for Progressive Policy Research) was a Visiting Fellow at the HO this academic year.

For the academic year 2010-11, we are pleased to welcome Senior Visiting Fellow:

Dr Kanakis Leledakis, Senior Lecturer, Panteion University, Athens.

Visiting Fellows:

Dr Susannah Verney, Assistant Professor of European Integration, Department of Political Science & Public Administration, University of Athens.

Ms Melina Skouroliahou, Media & News Analyst, Office of the Government Spokesman, Athens.

The HO welcomes applications for **Visiting Fellows** and **Visiting Senior Fellows** for a period of up to 3 months or less, for work that is relevant to the research of the HO. Previous fellows are not normally eligible for reappointment. Please submit your cover letter, up-to-date curriculum Vitae, the rationale for why you wish to spend time at the LSE, and the period that you are interested in to the Hellenicobservatory@lse.ac.uk to enable your request to be reviewed and processed before the School Committee Meeting.

Hellenic Observatory Research Fellows 2009-10



'The HO offers ideal scholarly conditions in a very hospitable atmosphere. To me, the NBG fellowship has turned extremely useful, as it covered successfully important lacunas in my experience of the global Academia. It also contributed largely to my personal research and initiated very promising academic connections.'

For his personal research, Georges Prevelakis made extensive use of the LSE library, which contains rare geographical documents of the Naval Intelligence. Apart from his regular participation to the LSE activities, he delivered the UCL Frank Carter's memorial annual lecture, on the relationship between History and Geography in the Balkans. Throughout this NBG fellowship, he further elaborated on his major hypothesis, that a geographical paradigm can overcome the dominant historical approach contradictions in Modern Greek identity and State. Co-Director of the new French academic journal *Anatoli* (CNRS Editions), sequel to the *Cahiers d'études sur la Méditerranée orientale et le monde turco-iranien*, Georges also worked on inter-connecting English and French speaking research networks with common interests on the Balkans and Turkey. Spyros Economides' recent participation to the Board illustrates this effort.

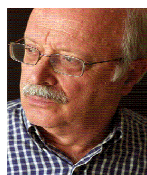
Professor Georges Prevelakis
National Bank of Greece
Senior Research Fellow



'The HO offered me a unique opportunity to enhance my intellectual development. It helped me to gain a better understanding of the world current state of affairs. I believe that the interdisciplinary character of the HO has broadened my view on academic life and enhanced my freedom of thought. The University facilities and my interaction with both LSE Professors and students kept my knowledge up to date and guided my interests towards new areas of research. The Observatory's fellowship programme met fully my aspirations and scientific objectives, thus reinforcing a position of professional maturity. As a result, my six month term at the HO has been an enormously productive period in my career.'

During the tenure of his appointment, Prodnamos has worked on a number of papers, which were presented in international conferences, departmental research seminars and some of them have been submitted for consideration for possible publication to refereed academic journals, GreeSE Discussion Paper Series and peer-reviewed edited volumes.

Dr Prodnamos Vlamis
Ministry of Economy,
Competitiveness & Shipping
Senior Research Fellow



'My time at the HO gave me a chance to recharge my research batteries, finish a book on Balkan History and consider the current economic crisis in Greece from a wider perspective. It also gave me a chance to make new acquaintances and exchange views on the crisis on radio and T.V. stations. Not to mention my theatre spree in London. I owe it all to the wonderful staff and researchers of the Observatory.'

During his fellowship, Thanos gave a public lecture on Greece's "Segmentary Community", delivered a paper on "Greek NGO Views on the Solution of the Kosovo Issue" and conducted research on the Balkans and the current financial problems of Greece. He will present the Hellenic Observatory a paper on this crisis before long.

Professor Thanos Veremis
Senior Research Fellow



'My time at the Hellenic Observatory has been a tremendously rewarding experience. Working alongside people from diverse academic backgrounds and enjoying the friendly, collegial and intellectually stimulating environment was a true privilege. I am deeply grateful to the HO and to Mr. A.C. Laskaridis for giving me the opportunity to pursue my research on Governance and Public Finance as well as to establish new links and collaborations. Your support throughout the year has been invaluable to me.'

During her fellowship, Efi conducted research on Public Finance and Public Policy in Greece. Her research has culminated in two papers, the first one addressing the need for a strategic and comprehensive overview of the public financial management framework in Greece, which is forthcoming in the GreeSE Discussion Paper Series and the second one discussing the role of national fiscal rules and institutions in shaping fiscal outcomes in Greece, both of which are under review in international journals. Two additional papers on accountability and the legal framework of the budget system are work in progress. She has also completed editing a book on the control of public expenditure in Greece, which will be published by a French publishing house. Efi presented her work at the HO Research seminar series and participated in the OECD Senior Budget Officials annual meeting. At the same time, she is the convenor of a series of conferences on budgeting in times of crisis, which will be held in London and Athens as well.

Dr Effrosyni Vraniali
A.C. Laskaridis Post-Doctoral Fellow



'During these worrying times for Greece, my stay at the HO provided me with an opportunity to engage with colleagues from a wide disciplinary background who enlightened me both with regards to the diagnosis of the 'Greek problem' and its potential remedies. The HO is a rare sanctuary for academics interested in modern Greece: it combines a culture of academic rigor and a relaxed, informal, setting in which debate and creativity flourish. With no single exception, all members of the HO team have been prefect hosts!'

During his fellowship, Dimitris worked on a collaborative project with Kevin Featherstone on Prime Ministerial leadership and the management of the core-executive in Greece since the *Metapolitefsi*. In addition to the conduct of fieldwork in Greece (including a number of elite interviews), Dimitris and Kevin co-authored an academic article on this topic, soon to appear in a major international journal. Dimitris and Kevin also delivered a seminar on their latest book on the Muslims of Western Thrace (*The Last Ottomans: The Muslim Minority of Greece, 1941-49*, Palgrave, 2010; with A. Mamarelis and G. Niarchos) and oversaw the translation of their 2008 book in Greek (*Τα όρια του εξευρωπαϊσμού: Δημόσια πολιτική και μεταρρυθμίσεις στην Ελλάδα*, Εκδόσεις Οκτώ, 2010)

Dr Dimitris Papadimitriou
National Bank of Greece
Senior Research Fellow



'LSE/HO is unique in that it provides close contact with world renowned economists, keeps up to date with the frontier research, and gives opportunity to work with experts in chosen fields.'

Both the faculty and staff in the HO were very friendly and willing to help me resolve academic and non-academic issues. My overall experience at the LSE/HO has been extremely enjoyable and productive.'

During his fellowship, Theodore completed his book entitled 'Explaining the Crisis in Greece. From Boom to Bust'. The book will be published by Palgrave/MacMillan by the end of 2010. Theodore has also published a couple of articles/letters in *The Financial Times* and one in *The Guardian* on the Greek economic crisis.

A seminar presentation, a GreeSE working paper, a couple of papers submitted to professional journals (*Cambridge Journal of Economics & Economics and Politics*), a proposal for a new book submitted to a UK publisher, were also among his outputs.

Professor Theodore Pelagidis
Ministry of Economy,
Competitiveness & Shipping
Senior Research Fellow

HELLENIC OBSERVATORY IN THE NEWS

GREEK ECONOMIC CRISIS - HO staff comments

Prof. Featherstone is quoted in a report on British attitudes towards the Euro, the Governance of the Euro and the Greek fiscal crisis, in the Belgian Newspaper [L'Echo](#) (08/06/2010).

Prof. Featherstone gave an interview in BBC Radio 4's 'File on Four' programme, discussing bribery in Greece (25/05/2010).

Dr. Economides gave an interview on the Greek Crisis, in 'Voice of America' on (14/05/2010).

Dr. Economides gave an interview on the 'Greek Crisis' in Deutsche Welle International Service (12/05/2010) and in Voice of America (14/05/2010).

Dr. Papadimitriou gave a live interview to BBC Wales Radio for the 'Good Morning Wales' Programme, discussing the demonstrations against the austerity measures in Greece (06/05/2010).

Prof. Featherstone was interviewed live by CNN on the Greek Crisis (06/05/2010).

Dr. Papadimitriou gave a live interview to BBC News Channel for the 9:30 'Morning Programme', discussing the demonstrations in Greece (06/05/2010).

Dr. Economides was the Presenters Companion, in BBC Europe Today Programme (05/05/2010).

Dr. Monastiriotis gave a live interview to BBC Radio Scotland for the 'Good Morning Scotland Programme' on 'What does the deal with the EU and the IMF means for Greece' (3/5/2010).

Prof. Featherstone wrote an article entitled '[Angela Merkel is pushing Greece beyond the pain threshold](#)' in the Guardian (30/04/2010).

Prof. Featherstone gave an interview on the Greek financial crisis on the BBC News website (28/04/2010).

Dr. Monastiriotis gave a radio interview on 'The Greek fiscal crisis and the Eurozone', to Mike Johnson for the World Business News of the BBC World Service (28/04/2010).

Dr. Economides gave an interview in BBC World Service, on '[Greek Crisis, EU & IMF: activation of rescue package](#)' (23/04/2010).

Prof. Veremis gave an interview on BBC Newsweek Scotland, on the Greek Debt (13/03/2010).

Prof. Featherstone gave an interview on NBC TV (USA) for the 'Nightly News' programme, which ran a report on the Greek fiscal crisis (11/03/2010).

Prof. Veremis gave an interview on CNBC's '[Your World at 10](#)' Programme, on the Greek economic crisis (03/03/2010).

Prof. Featherstone was quoted in the [New York Times](#), on the European Union Commission and Greek Fiscal data (22/02/2010).

Prof. Prevelakis in his article in [Estia](#), analysed the implications of the Greek economic crisis at the domestic and European level and the historical opportunity it offers to ND to promote its reform agenda (23/02/2010).

PROFESSOR KEVIN FEATHERSTONE

in his regular column for the Greek newspaper
'**Kathimerini**'

18/07/2010 'The task of the Greek PM was now to move beyond the 'politics of accountancy' and provide an updated vision of the future direction for Greece.'

20/06/2010 'The euro as the sword of Damocles.'

02/05/2010 'The 13th hour sounded for Greece.'

11/04/2010 'The British National Elections and how they can affect Europe.'

21/03/2010 'The Return of French Leadership?'

07/03/2010 'The prospects for the UK election and the apparent narrowing of the Tory lead.'

14/02/2010 'The Greek Economic Crisis and the government's accountability for budget spending.'

31/01/2010 'Greece and Globalisation'. The need for the society to accept the need to adapt to external competition.'

10/01/2010 'This year maybe the end of the beginning for Greece's credibility.'

13/12/2009 'Armageddon might have to be the solution to Greece's economic crisis, if a national pact is unattainable.'

15/11/2009 'Is Blair the right man for EU President?'

For all HO Director in the Press, please visit http://www.lse.ac.uk/collections/hellenicObservatory/whoswho/ho_director_in_press.htm

OTHER HO STAFF IN THE PRESS

Prof. Pelagidis discussed '[The slide of the euro currency](#)' in his article in Eleftherotypia Newspaper (06/06/2010).

Dr. Papadimitriou gave an interview in BBC World Service for the 'Newshour Programme', discussing the role of the left-wing opposition in Greece (05/05/2010).

Dr. Vlamis wrote an article in Eleftherotypia Newspaper, entitled '[How to boost foreign investment demand for the Greek real estate market](#)' (18/04/2010).

Prof. Featherstone is quoted in the [Guardian](#), talking about Greece's Prime Minister George Papandreou (12/04/2010).

Dr. Vlamis wrote an article on the '[Prerequisites for a Successful Tax Reform in Greece](#)' in the Eleftherotypia newspaper (21/03/2010).

Prof. Prevelakis discussed in an article in '[Estia](#)' 'The Deconstruction of the Greek State' (09/03/2010).

Dr. Monastiriotis was quoted in The Wall Street Journal, in the article '[Europe's Original Sin](#)' (03/03/2010).

Prof. Veremis commented on Prime Minister Papandreou's profile, aired on BBC Radio 4 (20/02/2010).

Prof. Veremis took part in a roundtable discussion on [BBC's Europe Today](#) Programme (17/02/2010).

Prof. Featherstone, gave an [interview](#) for the Greek Newspaper TA NEA on his appointment as member of the Special Committee of Non-Greek Experts to advise the Greek Government on the 'Government Modernisation' (06/02/2010).

For all HO Staff in the Press, please visit
http://www.lse.ac.uk/collections/hellenicObservatory/whoswho/ho_director_in_press.htm

Hellenic Observatory DONORS

The programme of activities sustained by the Hellenic Observatory depends crucially on the financial support it receives from outside bodies. For this reason, we wish to record our very sincere gratitude once again to the following donors for their generosity and for the confidence they place in us:

Mr. A.C. Laskaridis

**John S. Latsis
Public Benefit Foundation**

Bodossaki Foundation

**Ministry of Economy,
Competitiveness & Shipping**

EFG Eurobank

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LSEE - The first year

The LSEE research unit on Southeast Europe was established within the HO in September 2009 with Professor Kevin Featherstone and Professor Sevkett Pamuk as co-chairs. It provides a platform for research and public debate on the politics, economics and foreign relations of the region.

During its first year of activity LSEE has hosted a number of successful seminars and conferences including three in the SEE region.

A major LSEE **Research Conference on 'Regional Policy and Decentralisation in Southeast Europe'** was held in May in Zagreb, co-organised with the Institute for International Relations, IMO.

Two smaller **research workshops** were held, one on **Health Reforms in Southeast Europe**, in May at the Inter-University Centre in Dubrovnik, and the other on **Europeanisation and Enlargement**, held in June in Bucharest. These conferences and workshops attracted participants from throughout the SEE region, as well as from wider afield internationally.

Several public lectures hosted by LSEE in London attracted large audiences.

Tim Judah, Balkans correspondent for the Economist magazine lectured on his concept of the "Yugosphere", now published as the first LSEE Paper.

A **public roundtable discussion on the effects of the global economic crisis in Southeast Europe** was addressed by Vladimir Gligorov from the Vienna Institute for International Economic Studies, Laza Kekic from the Economist Intelligence Unit, and Peter Sanfey from the European Bank for Reconstruction and Development.

Dr Zlatko Lagumdžija, former Prime Minister of Bosnia and Herzegovina lectured on the situation in his country, and **Professor Boris Begović** from the Belgrade Law Faculty lectured on the impact of the global economic crisis on Serbia.



Dr Zlatko Lagumdžija,
former Prime Minister of Bosnia and Herzegovina

Other events included:

- A one-day workshop on civil society in the Western Balkans.
- A panel discussion on EU Enlargement and the Western Balkans led by members of the European Parliament.
- Seminars on the issue of Kosovo's status, on theories of state building in relation to the case of Bosnia, and on corruption in the region.
- The launch of a book on the Serbian economy by Professor Milica Uvalic of the University of Perugia was ably commented on by Professor Saul Estrin, Head of the LSE Department of Management, and by Laza Kekic.



From Left to Right:
Dr Ingeborg Gräßle - MEP for Germany
Dr James Ker-Lindsay - LSEE Senior Research Fellow
& Ms Tanja Fajon - MEP for Slovenia

In June a **PhD Symposium on Southeast Europe**, jointly organised with the Centre for the Study of the Balkans, Goldsmiths, and the Centre for Southeast European Studies at UCL-SSEES, attracted almost 100 paper presenters and participants.



LSEE has also been actively involved in a **'New Research Programme on Southeast Europe'**.

This has been possible through the generous funding provided by the John S. Latsis Public Benefit Foundation and carried out jointly with L'Institut Français and Relations Internationales (ifri). We wish to record our gratitude to the John S. Latsis Public Benefit Foundation for its generous support.

The research has been conducted through both an internal research project and an external research call.

The Internal Research Project, which has been carried out by Dr Vassilis Monastiriotis (Co-ordinator - Research and Publications, Senior Lecturer in the Political Economy of Southeast Europe), Dr William Bartlett (Co-ordinator - Research Networks, Senior Research Fellow) and Dr Vesna Bojicic-Dzelilovic (LSE Global Governance) has involved field trips to the region and investigates the impact of decentralisation and regionalisation on the delivery of public services in the region.

The External Research Call was awarded to Dr Nevenka Cuckovic (Institute for International Relations, IMO Zagreb) and is on "Privatisation of the public services sector in Croatia and SEE: assessment of the major gains and pains"

A joint LSEE-Ifri Research Workshop was held at the LSE in June at which early results of the research were presented. The final results of the project will be presented at the project Conference which is scheduled to take place in Brussels in October this year.

For more information, please visit LSEE on website:

<http://www2.lse.ac.uk/europeanInstitute/research/LSEE/Home.aspx>

LATEST NEWS



3rd International Black Sea Symposium on "The Black Sea Region in Flux" Island of Aegina, Greece, 29 June - 4 July 2010



The **International Centre for Black Sea Studies (ICBSS)** hosted the 3rd International Black Sea Symposium on **"The Black Sea Region in Flux"** in Aegina, from 29 June – 4 July 2010. The 3rd International Black Sea Symposium enjoyed the support of **14 international sponsors and partners, one of which was The Hellenic Observatory.**

The **39 young professionals** who participated in the event were diplomats, academics, civil society leaders and researchers. They represented **20 countries** including those of the Black Sea region, EU member states, the United States, Australia and Uzbekistan. They attended two days of sessions with **25 renowned experts** presenting on topics such as security concerns, economic development and the roles of NATO, Russia, and the EU.

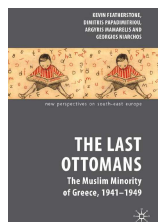
The International Black Sea Symposium project was launched in 2008 with the aim of contributing to **dialogue, cooperation and understanding** in the Black Sea region and beyond. It does so by providing a **forum for study and networking** in a multicultural and interdisciplinary environment to young professionals and international experts.



Participants of the 3rd Black Sea Symposium
Island Of Aegina, 29 June - 4 July 2010

For further information please visit www.icbss.org

New Books



The Last Ottomans: The Muslim Minority of Greece, 1940-49.

KEVIN FEATHERSTONE
DIMITRIS PAPADIMITRIOU
ARGYRIS MAMARELIS
GEORGIOS NIARCHOS
Palgrave Publishers, 2010

Why, when faced with a brutal occupation and then a bloody civil war, did the Muslims on Greece's border with Turkey remain passive?

The Lausanne Treaty of 1923 had recognized them as a vulnerable minority. There were a number of international and local factors that might have led to ethnic conflict.

The region had endured much instability since the 1880s and the post-Lausanne order was rattled by the outbreak of WWII. Yet, faced with a series of strategic choices, the minority remained locked in its own marginalization.

Based on previously unseen archival material and extensive primary material, this is the first study that seeks to explain this 'puzzle'.

In doing so, it addresses the minority's complex identity, its relations with other communities in the area as well as its position in the context of Greco-Turkish relations, the international diplomacy of WWII and strategic considerations of the early Cold War.



The turning point for Greece's economy. How Progressive pragmatism can put its economy back on track.

THODORIS PELAGIDIS
MICHALIS MITSOPOULOS
Papazissis Publishers, 2010

In this book, Professor Pelagidis (HO Senior Research Fellow) and Dr. Mitsopoulos present all the available pieces of evidence that are needed to show how, when one takes account of the positive developments in the Greek economy as well as the documented weaknesses, one actually can reconcile the case of Greece with the conclusions of existing research and the facts that are observed in other countries. These pieces of evidence also help to explain subsequently, numerous paradoxes of the Greek economy, as for example the rapid growth of labour productivity in the face of the dismal competitiveness of the Greek economy, certain aspects of the labour market that merit further investigation and aspects related to the reality of Greek non financial as well as financial corporations. The authors give examples of how reforms that might benefit the competitiveness of the economy and the consumers of the country are not promoted. Part I of the book includes chapters on the economics of corruption and the political economy of Greece's economy. Part II focuses on rigidities and imperfect competition in sectors such as the real estate, transportation, and tertiary education. There are also "freakonomics" chapters on the economics of the Greek orthodox religion, obesity, crime economics & the Greek police, etc.

Forthcoming Events & Announcements

11th HO Annual Lecture



The Hellenic Observatory will host **Mr George Papaconstantinou** Greek Minister of Finance, for the HO's Annual Lecture in the Autumn Term.

After a short introduction, the Minister will be in dialogue with Professor Kevin Featherstone.

This will be followed by Q&A with the audience
Date & Venue TBA.

This will be a ticketed event

One-Day Conference

A one-day Conference on: **'Public Financial Management in Times of Crisis: Fiscal Realities and Management Challenges in Greece and Other EU Countries'**



The Conference has been co-organised by the Hellenic Observatory & the Association for the International Foundation of Public Finance (FONDAFIP).

The Conference will take place on the 22nd October 2010.

Venue TBA.

For further details on these and all other Hellenic Observatory events and activities, please follow the link below:
http://www.lse.ac.uk/collections/hellenicObservatory/events/events_main.htm

Who's Who

Prof. Kevin Featherstone

Eleftherios Venizelos Professor
& Director of the Hellenic Observatory

Dr Spyros Economides

Senior Lecturer, International Relations
and European Politics & HO Deputy Director

Dr Vassilis Monastiriotis

Senior Lecturer in the Political Economy
of Southeast Europe

Mrs Ismini Demades

HO Manager

Ms Ioanna Antonopoulou

HO Administrator

Ms Eleni Xiarchogiannopoulou

Research Officer



**In the last Academic Year
the Hellenic Observatory website
attracted more than
560,000 visits !!!**

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